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> NEW YORK AND ERIE RAILROAD COMPANY. ADDRESS.



ADDRESS

TO THE

STOCKHOLDERS AND THE PUBLIC,

IN RELATION TO THE

REPORT OF THE COMMISSIONERS

APPOINTED BY THE LEGISLATURE

OF THE STATE OF NEW YORK,

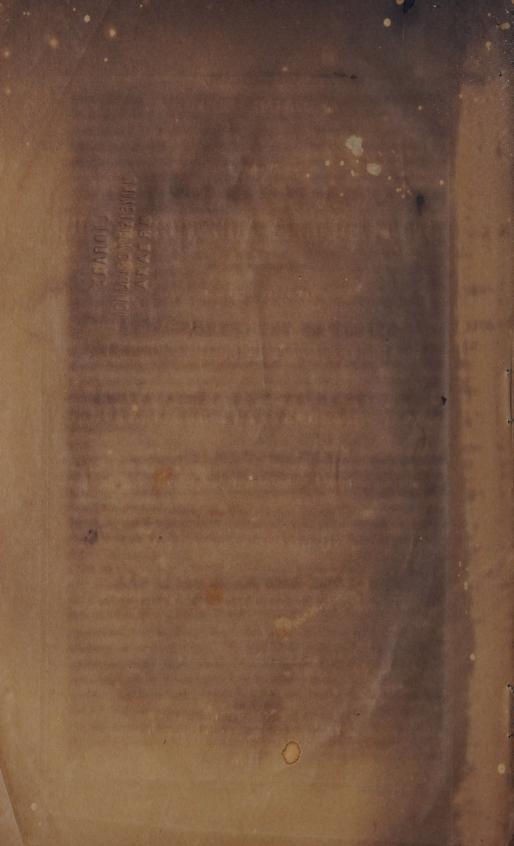
TO LOCATE CERTAIN PORTIONS OF THE

NEW-YORK AND ERIE RAILROAD.

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New=York: FRANCIS D. ALLEN, Jr., PRINTER, NO 13 CHAMBERS STREET.



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1847.

ADDRESS, &c.

The Board of Commissioners appointed by the Legislature to determine upon the location of certain portions of the New York and Erie Rail Road, a majority of whom, after full and careful surveys and examinations, having decided that the road cannot be constructed through the interior of Sullivan and Broome Counties "without great prejudice to the public interests," have submitted their Report to the Legislature, with their "reasons" for such decision, in compliance with the requirements of the Act of 11th May, 1846.

The Board of Directors, in determining to lay this full and able Report before the public, have deemed it not improper to accompany it with a condensed statement of the "reasons" for such decision, together with such further arguments and considerations as present themselves, tending to show the great importance and value of this decision, and indeed the absolute necessity of it, to ensure the construction of this great work.

It may not be improper here to state that this question of location has ever been one of the fruitful sources of difficulty and embarrassment with which this road has had to contend; hence, large sums have been heretofore expended, with an earnest desire, if practicable, to find a favorable route to Lake Erie-confining the line to our own Since the Company was chartered, more than 3 years time, and large sums of money have been spent in surveys in Sullivan and Broome Counties, to find such route. The difficulties in Sullivan County, at an early day, were found to be so formidable as to determine the Company, in 1841, to attempt the construction of their road up the Valley of the Delaware River, on the New York side interfering with and injuring, as was alleged, the works of the Delaware and Hudson Canal Company, which had previously occupied the narrow pass on this side of the river. The result of such attempt was that this Company was enjoined by the Chancellor, upon application of that Company, from going forward with the work. Yet

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rather than encounter the formidable difficulty of high grades in Sullivan and Broome Counties, the Company passed over the disputed ground, and continued their works beyond Binghamton, the whole line from that place to the Lake being put under contract, with a determination to wait for future Legislative permission to construct a portion of their Road up the Valley of the Delaware River on the Pennsylvania side, solely because the only practicable ground on which the Road could be constructed on the New York side of the River was previously occupied by the Delaware and Hudson Canal Company; besides being under an injunction in Chancery stopping the work on this side of the River. A difficulty nearly as great was met with on the northern route through Broome County, to avoid which they were compelled to carry their work for a few miles through a portion of Pennsylvania; legislative permission being required for this also.

The Company have ever regretted the necessity which compelled them to carry any portion of this work out of the State, but as they could not control the natural features of the country, nor alter State lines, they found themselves compelled to follow the best and only line on which the work could be constructed with advantage to the public interest.

At the time the present Board of Directors assumed the control of this work, with a determination to make a vigorous effort to relieve it from its embarrassments, a prominent feature of which was, this very question of location, they did not anticipate the extent and bitterness of the opposition against allowing this Company to locate their work on the best route that could be obtained for that purpose.

At the session of 1845, the Company applied for a law, granting the release of the State lien upon certain conditions, which release was indispensable, to afford any hope of success; and also to permit the location of a portion of their road in Pennsylvania. A violent opposition was made to it, at that time, by those interested in the northern or interior routes. To guard the interests of those parties, and those of the State, also, three engineers of high reputation were appointed by the Legislature to make the necessary examinations and surveys, and to determine whether a practicable route or line for this road could be found in this State, on which it could be located, "without great prejudice to the public interests." This commission did not complete their surveys and examinations in time to decide

before the meeting of the Legislature of 1846, at which time the opposition to this measure was renewed, and became more violent than at the preceding session; and, the more effectually to guard such important interests, four gentlemen of high character, living in such portions of the State as were not supposed to be interested in this question, were added to the Commission; and all the restrictions which the ingenuity of the opposition could suggest, were incorporated in the law, to render a decision of the Commissioners favorable to the wishes of the Company as difficult as possible. Yet, with all these stringent provisions against such decision, acting under the solemnity of an oath, the majority of the Commissioners have decided that a practicable route cannot be found through the interior of Sullivan and Broome Counties, on which to construct this work, "without great prejudice to the public interests." Against that decision,—the reasons for which are so ably set forth in the Report of the Commissioners,-the Company are threatened with a serious and determined effort from certain parties to procure its reversal: some of whom do not hesitate to say, that they would prefer having no road at all, unless it can be constructed on the interior route, and, of course, such as will suit their interest or wishes, regardless of the convenience and interests of a hundredfold greater number.

This course cannot be regarded by the Directors other than a mere wanton, if not a malicious attempt to embarrass and injure the Company, by endeavoring to disturb or interfere with a question which has been legally settled, in accordance with the provisions and requirements of the law under which the Commissioners acted. Directors, immediately after the decision was officially communicated to them, (on the 25th August last,) determined to lose no time in entering upon a vigorous prosecution of the work, which had been so long delayed by circumstances beyond their control; and to that end they advertised for proposals, and put the whole line under contract, from Otisville, the present terminus of the road, to Binghamton, a distance of about 140 miles. The contractors are now at work on the line, in fulfilment of their contracts, both in our State and in Pennsylvania. Contracts have also been made for the iron rails, for the whole distance above named. The liabilities incurred by the Company for the above objects amount to between two and three millions of dollars.

That the Directors had a perfect right to consider the decision of the Commissioners final and conclusive; and that no attempt would be made to disturb it, will be seen, when it is remembered that at the time the law under which the Commissioners acted was pending before the Legislature, and after the friends of the bill had submitted to all the restrictive provisions which could be piled upon it, then, to guard the interests of all parties still further, four additional Commissioners were added to the Commission, as before stated: after which, and just before its final passage, an amendment was offered, in the House, to prohibit the Company, if the decision should be adverse to the interior route, from locating their road, or from going on with their work, until the meeting of the next Legislature. This amendment was negatived by a large majority; thus settling the question as to the meaning of the law, and the intention of the Legisture in passing it.

Under these circumstances, it was not to be anticipated that any attempt would be made to disturb or interfere with the settlement of this great public question, in the way and manner selected by the Legislature itself,—and based, as it is, upon facts and reasons so conclusively sustaining the decision: but, as there are intimations that efforts will be made again to open the question, the Directors feel it their duty to call attention to the fact, that the Commissioners, in their desire to give the interior line every posssible advantage, have adopted, as the basis of calculation, a mode of working the road more favorable than will possibly be found advisable to adopt in practice, [see the Report, page 12;] and have also made their estimate of tonnage much less than the Directors feel themselves justified in assuming as the business of the road, when finished to Lake Erie. The reasons for this will be given in another part of this address.

Yet, with every favorable consideration yielded to the interior route, the report presents such an array of facts and arguments against the selection of that route, as fully to sustain the justice and propriety of the decision. In view of the many important interests involved in this question, the Directors have thought proper to present a brief summary of the Report, with calculations, based upon a mode of working the road almost conceded by the Commissioners, as necessary in the practical working of it, and applying it to a larger (but not deemed too large,) amount of tonnage than is assumed in the Report; and also upon the improvement of the grade on the southern route: thereby lessening the expense, and increasing the difference between the two routes, which is more fully explained bereafter.

THE NORTHERN ROUTE.

The Report states that, on the route from Binghamton to Deposite, a distance of $43 \ \frac{58}{100}$ miles, there are two summits to be overcome, on which line a maximum grade, of 65 feet to the mile, rules for a distance of $35 \ \frac{6}{10}$ miles; the maximum grade, going west, being 74 feet to the mile: the total ascent, east and west, being 3023 feet. The cost of grading this line is estimated, in the Report, at \$628,600.

From Deposite, coming eastward down the valley of the Delaware river to the mouth of the Calicoon, a distance of about 40 miles, the line is level, or descending. From this point to Wurtsboro, through the interior of Sullivan County, a distance $52 \, \frac{58}{100}$ miles, there are several different grades, the maximum or controlling one, for the whole distance, being 45 feet to the mile. The same grade applies up to the summit of Shawangunk Mountain, about $8\frac{1}{2}$ miles further.

The maximum grade, going west, is 57 feet, [but, in a marginal note, it is stated it may be reduced to 48 feet to the mile;] the total ascent, east and west, being 2236 feet: the length of line on which maximum grade rules being $61 \, \frac{14}{100}$ miles. The whole distance from Deposite to the summit of Shawangunk Mountain, is 101 miles; the aggregate amount of curved line being 7609 degrees, or over 21 entire circles.

The difficulties on this line are greatly increased by the long succession of sharp curves, or those of small radii; thus adding largely to the objections arising from the high grades above stated.

THE SOUTHERN ROUTE.

It will be seen, from the Report, that on this route from Binghamton to Deposite, the distance is but $39\frac{29}{100}$ miles,—being $4\frac{1}{4}$ miles less,—and the aggregate amount of curved line being nearly $2\frac{1}{2}$ entire circles less on this than on the interior route; that there is but one summit on which a maximum grade of 68 feet rules for 15 $\frac{66}{100}$ miles; the total ascent, east and west, being but 935 feet, instead of 2023 feet on the northern line. The cost of grading being put down in the Report at \$746,900.

From Deposite to Port Jervis, down the Delaware river, the distance is 89 miles, the whole of which is level, or slightly descending. From Port Jervis to the summit of Shawangunk mountain, a distance of $9\frac{56}{100}$ miles, the grade is reported at 50 feet; but a note in the margin states that it can be reduced to 45 feet. [The line has since been located by the Company on that portion of the route, at a grade of 45 feet; the ascent from Port Jervis to the summit being the same as on the northern route from Wurtsborough.] The total rise and fall is but 770 feet, against 2236 feet on the interior route; the minimum curvature much more favorable, and the aggregate of curved line being nearly 8½ entire circles less on the Delaware than on the interior route—thus making on the whole northern route nearly 11 entire circles more than on the southern route. The whole distance from Deposite to the summit of Shawangunk mountain by this route is about 98½ miles, or about 2½ miles less than by the interior; making the whole line from Binghamton, by the southern route, about 63 miles less than by the northern or interior line.

The saving to this Company in shortening the line to that extent, taking the first cost into account, with the expense of keeping it in repair, the expense of running the road over that increased distance, and the wear and tear of machinery, &c., &c., cannot be less than \$500,000. (The Chief Engineer, upon a careful calculation, makes the saving more than \$100,000 per mile, which, it will be seen, would make the saving more than \$675,000.) But the smallest sum is taken, that there may be no objections raised as to the amount thus saved. The extra cost of grading the Delaware river route is estimated, by the Commissioners, at about \$400,000 more than the interior route, through Sullivan county: but, upon a careful examination and survey of this route, the Company have been enabled to locate it on a much more favorable line than was anticipated, which will render the cost of the work, in the opinion of the engineers, not greater than the northern line.

It may not be improper, here, to state, that the line from Binghamton to Lanesboro, which is reported by the Commissioners at a maximum of 20 feet per mile, has been reduced, by the Company's surveys, to five feet to the mile. From Hornellsville, eastward, to Binghamton, the maximum grade is taken, in the Report, at 20 feet, (it will be remembered that the Commissioners were not required to survey beyond Binghamton;) but the Company have determined to reduce it to five feet to the mile, also, which is considered by the

engineers perfectly practicable, and at a moderate expense. being done, the grade on the whole line, from Hornellsville to Port Jervis, a distance of about 250 miles, will be level, slightly descending, or not exceeding five feet to the mile, opposed to the down-trade, except the ascending grade of eight miles to the summit, between Lanesboro and Deposite, where the grade is reduced to 60 feet to the mile, instead of 68 feet, and the descending grade to 57 instead of 67 feet; which, with a heavy train, will require one or more extra or assisting engines, (proportioned to the load,) to reach the summit. With this assistance, the whole distance, of about 250 miles, is rendered practically level; the value of which can hardly be estimated: and when compared with the northern routes, applying the same data as those used by the Commissioners, would vastly increase the difference of expense between the northern and Pennsylvania route, and would present a far greater comparative difference than was made by the Commissioners' Report.

We will now look at the practical working of the road upon the two routes, and for that purpose will commence with a loaded train, made up at Hornellsville, going east. With a grade of five feet to the mile, an engine of 20 tons weight, according to the data of the Commissioners, can carry over that grade about 307 tons nett, with which load, by taking the southern route, it could be carried, with one engine, to Lanesboro, a distance of 143 miles. At that point, the train would have to be divided into four parts, and, in some cases, five, with a tonnage due to a 60 feet grade, which would require three, and in some cases four, extra engines, in addition to the relieving engine, to take the load over the summit to Deposite, a distance of about $15\frac{1}{2}$ miles.

At Deposite, a train would be made up for Port Jervis, a distance of about 89 miles, with a load due to a level grade, which, according to the table of the Commissioners', is 389 tons, (equal to the tonnage of five trains over the northern route, from Port Crane to Deposite;) from thence the whole distance is level, or slightly descending, to Port Jervis.

We will now look at its practical working on the northern route. Starting at Hornellsville, as above, with a like ruling grade of five feet to the mile, for a distance of 127 miles, to Port Crane, a few miles north of Binghamton, over which line an engine of 20 tons would take about 307 tons nett. At Port Crane this train would have to be divided into five parts, requiring five trains from thence to Deposite, a distance of 35 $\frac{6}{10}$ miles. From this point, as will be seen

from the Commissioners' Report, they give the interior route, through Sullivan county, the benefit of the most favorable estimate that can be made in the proposed working of the road—by arranging the trains at Deposite for a level grade to the mouth of the Calicoon, a distance of 40 miles, and from thence taking extra power, through the interior, to Wurtsboro. By this arrangement, the Commissioners state—

"It gives the interior route the full benefit of the favorable grade on the Delaware, between Deposite and the mouth of the Callicoon, which may not be, and probably will not be, wholly available in practice."

In accordance with this view, it is confidently asserted that such arrangement cannot be made "available in practice;" nor can the road be economically or advantageously worked in that way. It would require a train made up at Deposite, with a load due to a level grade to the mouth of Calicoon, and there divided into four trains, to run over the interior route, a distance of 52½ miles, to Wurtsboro. This plan would be found to involve more trouble and expense than 'he other method, viz.: to make up the trains at Deposite with a load due to the ruling grade of the interior line to Wurtsboro, a distance of 92½ miles. And notwithstanding their estimates of cost are based upon a different method of working the road, to give the interior line every possible advantage, the Commissioners state in adopting it that—

"This arrangement, for a basis of comparative computation, will be as favorable for the interior line as can be adopted; and it is proper to remark that, in any practical arrangement of business, the Commissioners are of opinion it would be found most simple, efficient, and not less economical, to make up the trains at Port Crane, in Broome county, to proceed to Deposite, and there adapt it to a ruling grade of 45 feet per mile."

This, however, as they state, "would present a less favorable result" for the interior route. Hence, in the opinion of the Commissioners, the "most simple, efficient, and not less economical" mode of working the road would impose upon the Company and the Public the largely increased expense of running four trains from Deposite to Wurtsboro, to carry about the same load that one train would carry on the Delaware route to Port Jervis—both being nearly equal in distance.

The Directors regret that the Commissioners have not presented the result of a calculation, also, upon the basis which they have almost conceded will be necessary in the practical working of the road. It is one, however, very easily made, and, to a full understanding of the sub

ject, is herewith presented, to show what would have been the result of a calculation, based upon such a mode of working the road as, in practice, they almost admit would be necessary. This result can be arrived at [see page 23] by adding 40 miles to the 48.97, which makes 88.97 miles; then, by multiplying this sum by 0.78 cents, being the extra cost per ton per mile, as there stated, it gives 69.39 cents, instead of 38.19: that is, 31.20 cents more than on the basis assumed in the Report. The total extra cost on the freight traffic will, then, be,—instead of 64.24 cents, as stated in the Report,—as follows:

65·24 + 31·20 = 95·44 cents, as the extra cost, per ton, on the interior, over that of the southern route. This sum, multiplied by the tonnage assumed by the Commissioners, as the basis of a comparative calculation, would stand thus: — 200·000 × 95·44 = 190·880; to which the Commissioners add 50 per cent. for passenger trains; great excess of curved line; extra wear of rails, cars, engines, &c., &c.,—[see page 28,] . . 95·440

From which would be deducted, [see page 29,] .

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as the amount of extra cost, per annum, on 200,000 tons, transported through the interior; which result is obtained by adopting the only mode of working the road which, in the opinion of the Directors, would be found in practice either desirable or proper: in support of which position, the Report states, that "The Commissioners are of the opinion it would be found most simple, efficient, and not less economical;" and when applied to 400,000 tons, as the amount of tonnage which will doubtless pass over this road, within five or ten years after its completion, will make \$454,024, as the annual tax, or extra cost, of transporting that amount of tonnage over the interior route beyond that of the southern route.

It will be borne in mind that the above result is obtained by taking the same data as those used by the Commissioners, and applied to a mode of working the road through the interior which, they all but admit, will be necessary to adopt in practice: as they state they had serious doubts whether it should not have been adopted as the basis of their calculation, [see page 29,]—in which case the above results would have been obtained. The same calculation, even at the risk of repetition, will now be applied to the practical working of the road, upon the same basis adopted above, including in it the advantages arising from the improvement of the grade on the southern route, which has been made since the decision of the Commissioners'

was received, and upon which line the road is now located, and in process of construction.

The Commissioners, after a careful calculation of the extra cost of transporting tonnage over the northern route, place it at $64\frac{24}{100}$ cents per ton; in which estimate the extra cost of running four trains over the level route from Deposite to Calicoon is not taken into account, which, as before remarked, it is confidently asserted experience would render necessary,—and the Commissioners, themselves, all but concede this ground, -which would thereby largely increase the expense on the interior line. The improvement in the grade, before referred to, west of Lanesboro, and from Lanesboro to Deposite, is also to be taken into account; the effect of which would be to lessen the cost on the southern route, and, consequently, to increase still more the difference of cost between the northern and southern routes. Then, by applying the same method of calculation as that used by the Commissioners, the extra cost on the high grades, through the interior, will amount to 103 cents per ton; or, in other words, had they taken as the basis of calculation the improved grades on the southern route which have since been adopted by the Company, together with the manner of working the road, as above stated, which, beyond a doubt, experience will decide to be most economical and judicious, and which the Commissioners all but admit will be necessary, they would have made the extra cost on the northern route 103 cents per ton instead of $64\frac{24}{100}$, to which they add, for passengertrains, great excess of curved line, extra wear and tear of rails, cars, engines, &c., 50 per cent. to the amount, beyond that made by excess of high grades.

If this conclusion be correct,—and it is believed that it cannot be controverted,—then, by applying it to their own estimate of the probable tonnage over the road, it would make the amount, by a careful calculation, \$309,000 per annum, as the extra cost of transporting 200,000 tons over the northern or interior route, beyond that of the southern route, instead of \$192,720, made by the Commissioners; both of which amounts would, however, be debited by them, agreeably to their Report, with \$59,308, on account of the drawback on the southern route, which would leave \$249,692 per annum, instead of \$133,412, as the excess of cost on 200,000 tons.

In relation to the probable amount of tonnage which would pass over the road, after it was extended to Lake Erie, the Report states, that the officers of the Company estimated it at 500,000 tons per annum, and that no attempt was made to controvert it by any one; [see page 24.] The Report states, that—

"It is not possible to arrive at accuracy on this point, and the Commissioners are not willing to say that the road will not, eventually, reach that estimate; but this would be a very large business for a general trade, and much beyond the capacity of a single-track road."

This amount was assumed as the probable extent of the business of the road, within five or ten years after its completion, and which they are still inclined to believe is not far out of the way; but they admit that it cannot be transported over a single track: but that this, or a much larger amount, can be carried over a double-track, all will admit—which will doubtless be made before the expiration of the longest named period, unless needless difficulties are thrown in the way of the work. The amount of tonnage named may be too large; but it was considered not an over-estimate, when are taken into account the great resources of the country through which the road will pass,—embracing an area of about 12.000.000 acres,—dependent upon it, in a great measure, for a communication with our city, and almost without a competing line for the trade, until it reaches Lake Erie, when will be opened to it a share of the trade of the great West, with its almost boundless resources, as yet, but partially developed, and connected with its vast inland seas: the trade of which is already nearly equal to that of all our foreign commerce-which will require, within a very few years, all the avenues of communication now constructed, or in process of construction, to bring its rapidly increasing productions to the sea-board, and to our own city, and thereby prevent its diversion to other markets.

In addition to these considerations, it will be borne in mind, that the business on that part of the road in use during the past year,—only 53 miles in length,—although exposed to a very active competition from its proximity to the Hudson River, yet amounted to upwards of 50,000 tons. At this rate, the traffic on the whole line, to Lake Erie, would amount to nearly 450,000 tons in the first year after it should be opened, without making any allowance for the through-trade of the western lakes. It is also to be remembered, that in consequence of securing for the larger portion of the line a level, or nearly level, and consequently cheap route, the Company will be enabled to transport lumber, iron, coal, ship-timber, and other heavy and bulky articles, at very low rates, and to an immense amount; a trade of which this market would, in a great degree, have been deprived, if the Company had been forced to encounter the increased cost resulting from the high grades of the interior route.

If the above considerations are not deemed sufficient to warrant so

large an estimate as 500,000 tons as the probable amount of tonnage over this road, within a period of 5 or 10 years after its completion, we will take 400,000 tons, and apply to it the same data as before applied to the 200,000 tons, and it would make \$618,000, from which amount the same deductions will be made as those made by the Commissioners, amounting to \$59,308, leaving a balance of \$558,692 per annum, as the amount of extra cost of transporting 400,000 tons over the high grades of the interior route instead of the southern route.

Should the correctness of this large amount of extra cost be called in question, it may not be improper here to state the basis upon which it is founded. 1st, The difference made by the improved grades on the southern route, which have been before particularly stated, and is not deemed necessary here to repeat. 2d, In making up the trains at Deposite for Wurtsborough with a load due to a ruling grade of 45 feet, instead of making them up at that point for the mouth of Callicon with loads due to a level grade, and there dividing each train into 4 trains for the interior route, which in the opinion of the Commissioners "may not be, and probably will not be wholly available in practice." 3d, In estimating the business on the road at 400,000 tons within 5 or 10 years after its completion, instead of 200,000 tons, the amount taken by the Commissioners, although they were not prepared to say that the business would not ultimately reach 500,000 tons. which whenever this latter amount is reached, the loss, according to their own mode of calculation, and giving every possible advantage to the northern route, would be \$481,790 per annum, (less \$59,308 as the estimated drawback on the southern route,) leaving the amount \$422,482, and this not to continue for one year, but to be a perpetual, annual tax.

It is not intended by these comparative estimates of the cost of working the road, to attempt to controvert the position taken by the Commissioners, or to call in question the correctness of their conclusions, but merely to show what would doubtless have been the result of their own estimates had the two lines under consideration been confined to our own state, where no collateral considerations were to be taken into account to influence their decision, and where nothing but the simple question of a comparison of routes was to be determined on. In their calculation of extra cost they frankly admit that they have given the northern routes the benefit of the most favorable estimates, and yet with that determination they arrive at results which perfectly sustain them in the correctness of their decision.

It will be seen from the Report that the extra cost of constructing

the road on the southern route, is estimated at \$519,821. In regard to this large item of extra expense, it may not be improper here to state, what has before been stated in another form, that since the decision of the Commissioners accurate surveys and examinations have been made of the whole line under consideration, and the location fixed on a more favorable route, and with less difficulties than was ever anticipated, and from careful estimates by the Engineers of the Company they have no hesitation in stating that, in their opinion, the work on the southern route will be constructed at an expense not greater than that through the interior. It is therefore believed that every dollar of this large sum should be entirely stricken out. If this position be correct, and it is stated with the utmost confidence of its correctness, \$34,308 (being the interest on the estimated extra cost of the southern route) should be taken from the \$59,308, which latter sum the Commissioners deducted from the extra cost of the northern line, and which would reduce that debit to \$25,000.

It is difficult to conceive how any man or set of men with the smallest possible measure of public spirit, or the least regard for the interests of a large portion of the State, rather than a section, or for the interests of the many in preference to those of the few, can carofully read this able Report of the Commissioners without a full conviction of the justice and propriety of their decision.

The Report is marked throughout with frankness and candor, and with an evident, and even expressed determination, to give the interior route the benefit of every favorable consideration of which the case would admit; but having been appointed by the Legislature to the responsible duty of deciding an important question, affecting individual, private and public interests, the Commissioners have fearlessly and faithfully discharged that duty, and their statement of the reasons for their decision will convince any man not warped by prejudice or blinded by interest, that a contrary decision would have been fatal to this great enterprise, as no set of men could be found, with a knowledge of half the difficulties to be encountered on the northern route, who would ever have furnished the money to complete the work.

It may not be improper here to remark, that the requisite amount of subscription never could have been raised, had there been the most distant expectation that the Company would have been embarrassed by this question of location, or that they would not have been allowed, like other Rail Road Companies in the State, to construct their road to the Lake on the best route that could be found.

The principal arguments used by the opponents of the southern or Pennsylvania routes are, 1st, That the road was chartered for the benefit of the southern tier of Counties, and, consequently, the Company should not be allowed to carry any portion of it out of the State. 2d, That the State, by its loan of the \$3.000.000 to aid the Company, had a perfect right to compel them at any sacrifice to construct their road within its limits, should they in consequence have to pass over hills, instead of through vallies.

As to the first argument, the Company are not now, nor have they ever been, disposed to deny that the road was chartered for the benefit of the southern tier of counties, which is the precise object they have now in view. To that end all their energies have been, and still are, directed to obtain for those counties the best possible route, and, consequently, the cheapest communication to a market. Nothing has heretofore contributed more to embarrass and delay this work than the formidable difficulties of the northern route, before referred to, and the local interests and jealousies of those living on that line, who have appeared determined to oppose and thwart every effort of the Company to relieve themselves from those difficulties, and either compel them to construct their work over that route, or not construct it at all; notwithstanding they would thereby deprive all the western counties, no less than the city of New-York, of its benefits. If the large amount of money expended by the Company west of Binghamton, had been expended on the southern route, east of that place, and where now located, the road would, before this, doubtless have been built; and if anything can now compensate the people of the southern tier of counties, and those of our own city, for the long delay that has arisen in its construction, it will be found in the improved character of the line obtained by this decision. It is believed that a patient and careful perusal of the Report will convince any unprejudiced mind of the correctness of the above remarks.

We will now look at the line of the road, and see if any one of the southern tier of counties is injured, by carrying a portion of it into Pennsylvania, and, if so, to what extent; and also, whether the line leaves any county which it was originally intended to benefit.

The first county that makes any complaint is Sullivan county. Years since, the road would have been built on the New-York side of the Delaware river, if the narrow pass on that side had not been previously occupied by the Delaware and Hudson Canal; and no idea would, in that case, ever have been entertained of running it

through the interior of that county. All that is now proposed is, to carry it across the Delaware river, and follow up the opposite bank in Pennsylvania, and re-cross into our own State at the most convenient place, after passing the point occupied by the canal, and thence continue the road in Sullivan county a distance of about 30 miles. It is believed that a large portion of the inhabitants of this county are as well accommodated by this route as they would be by running the road through the interior. The county is sparsely populated, containing about 20,000 inhabitants; the largest village or borough being Monticello, which contains some 500 to 1000 inhabitants, from which place the principal opposition to the Delaware location has arisen. Even supposing one half, or, possibly, more, of the inhabitants of the county would be better accommodated by a location on the interior than on the southern route, yet the company could not reconcile it with its sense of duty to carry the road through the interior on that account, for their accommodation, thereby encountering a long succession of high grades, and a great amount of sharp, curved line, but little less objectionable than high grades. The extra cost, per ton, for transporting freight over this route, the Commissioners make, by the most favorable method of calculation which they could adopt, within a fraction of 42 cents per ton, with an addition of 50 per cent. for other items, [see pages 27 and 28,] which, on a tonnage of 200,000 tons, would be about \$126,000; and on 400,000 tons it would amount to \$252,000—less \$59,308, [see page 29,]—as the annual tax, imposed on the public for the benefit of the interior route, through Sullivan County. This large sum would have to be paid by the western counties; as it would be the actual increased cost to the Company, which must be borne by those doing business on the road. With a knowledge of these facts, the Directors could not, in the faithful discharge of their duties to the western counties, and the public, consent that they should be laid under contribution to that extent for the benefit of a mere local interest; hence their determined and persevering efforts, during the two last sessions of the Legislature, to avoid so serious an incumbrance.

The next county that makes any complaint is Broome county, with which some of the adjacent counties sympathise. Here the road runs through a corner of Pennsylvania for a distance of about 15 miles, on the southern route, and then passes through the southern portion of Broome, instead of the interior. The advantages and disadvantages of both routes have been heretofore sufficiently explained as not to require, at this time, any thing more upon that subject. In the case of Broome county, a much larger number of citizens of our own State would be benefitted by the northern than the southern

route; and the Company regret the necessity which compelled them to urge the location on the southern route, at this point of the line, with as much earnestness as on the Delaware route, in order to avoid difficulties but little less formidable than those in the interior of Sullivan count.

II. In relation to the \$3,000,000 State loan.—All will admit that when this work was first undertaken, it was a large, and, possibly, too large and expensive a work for private capital and enterprise, alone, to accomplish—the largest and most expensive of any in our country; the cost of which, when completed, will exceed, by some three or four millions, that of the first cost of the Erie Canal. The magnitude and difficulty of the work, at the time of its commencement, probably prevented a sufficient amount of capital being subscribed to secure its construction, and hence the delay in the progress of the work. At this delay, the southern tier of counties became clamorous and dissatisfied, and urgently claimed the assistance of the State to aid in its construction. The Erie Canal had long before been completed with the aid of the public credit, to which the southern tier of counties had equally contributed, which had had the effect of raising up cities, towns, and villages upon its banks, and increasing the value of property in its vicinity many times the cost of the work, and building up that portion of the State to the neglect, as was alleged, or at the expense of the southern tier of counties. The Legislature, some seven or eight years after the charter was given, in order to aid this important work, in which the southern tier of counties had so deep an interest, loaned the credit of the State to the amount of \$3,000,000, which, with half that amount of private subscription, made the road what it was when the present Board of Directors asumed the control of it.

The Company, after expending all their means, and failing to obtain any further subscriptions or assistance from the State, and, after struggling on as long as possible with their embarrassments, finally became bankrupt, and made an assignment of their property, in consequence of which the State ordered a foreclosure of its lien, and advertised the road for sale. At an extra session of the Legislature, however, in the summer of 1842, the sale of the road was postponed until the close of the next legislative session, which Legislature passed an act, called "Faulkner's Bill," by which it was got under way again, giving some hopes to its friends of its resuscitation; but the several attempts which were made, during this period of two years, to revive it, did not succeed. But, during the winter of 1845,

a law was obtained, granting the release of the State lien, upon the condition that \$3,000,000 of bona fide subscriptions should be obtained, and that the road should be finished within six years from the passage of the act. At this time the Company, knowing the importance of building their road on the best route that could be obtained, asked permission from the Legislature to construct a small portion of it in the State of Pennsylvania. The result of that application is well known, and it is considered unnecessary here to repeat it. The justice and propriety of the claims which certain counties make, to the exclusion of others, on account of their interest in that loan, cannot be admitted for one moment, as their interest is collective, not individual. The loan did not secure the building of the road, and never would have done it, without a large addition of private capital; and it consequently did not benefit the southern tier of counties to the extent anticipated, and it never could have done it, without the addition of some \$6,000,000 or \$7,000,000 of private capital.

Those who furnish this large amount of capital are certainly entitled to some voice in its expenditure; though this appears in some quarters to be questioned-evidently considering it a privilege to the stockholders to be allowed to expend their money on this work. But rather than submit to the large annual tax of carrying this road over the northern route, it would be better, and more for the interest of the public and the Company, if they were able to do so, to pay back the \$3,000,000 loan to the State. But that they cannot do, as they will require all the means they can possibly control to build the road. The great expense of this work required all the inducements that could be held out to insure the necessary subscription to complete it; and when built, it will confer benefits upon the southern tier of counties, and upon our city, which will return to the State in the increase of taxable property, and in the general prosperity of that portion of it hitherto so much neglected, all, and more than all, the assistance which has been rendered: and the best way to confer such a boon upon those counties is, to give them the benefit of a cheap and rapid communication to the seaboard, and not impose upon them the perpetual increased tax of carrying their products over hills instead of through valleys.

The above are a few of the many considerations which might be urged in favor of the decision of the Commissioners, the importance and value of which can hardly be over-estimated.

The difficulties and embarrassments with which this great public work has had to contend, almost from the beginning, and which, two years since, had reached such a point of depression as nearly to discourage any attempt to resuscitate it; and now, when relieved in a great measure of its embarassment, and placed in a condition to afford reasonable hopes of its speedy completion, to be threatened with a serious attempt to interfere with this nuestion,—vital in its

consequences to the Company, and again to attempt to disturb and agitate this subject can only have the effect to embarrass or delay the work, without producing a corresponding benefit to any parties. This question having been legally settled, in consequence of which the Company have, in good faith, put under contract a large amount of work, and now to have difficulties wantonly or needlessly thrown in their way, instead of aiding and sustaining this great public enterprise,—while it needs, and should receive all the fostering care and encouragement which can be given to it, to render its success certain,—is almost enough to discourage the efforts of any set of men from going on with the work. Had these difficulties, at the first, been fully understood and appreciated, and (more than all these) those that have arisen from mere selfish and local interests, been anticipated in the outset, the Legislature and the public would have been spared all the appeals and trouble which they have received from the present Board of Directors: but having engaged in this great enterprise, in which our city and a large portion of the State are so deeply interested, (but in the success of which the Directors have no greater or deeper interest than the great mass of their fellow-citizens,) they are determined, as they have been from the beginning, to carry it on to a speedy completion, unless thwarted and defeated by local and selfish considerations.

To our fellow citizens who have so deep an interest in the speedy completion of this Road, and who have furnished nearly the whole amount of the requisite subscription to go on with its construction; and to the western counties of our State, to whom this subject is one of vital importance, we confidently appeal, to prevent the threatened interference with the decision of the Commissioners,—a decision based, as it is believed, upon a foundation that cannot be shaken or overthrown, and supported by arguments and conclusions that cannot be successfully opposed or controverted, and which will confer benefits upon a large portion of the State, that can hardly be estimated.

If the Report containing the reasons for their decision, could be carefully read by every person interested in this question, no further arguments or considerations would be necessary to convince every unprejudiced mind of its justice and propriety. Indeed it is difficult to conceive how any other could have been arrived at, with all these facts and considerations before them.

All who will examine the Report with care and attention and admit the correctness and truth of its statements, must be convinced of the difficulty if not the impossibility, in the face of such an array of facts and arguments, of collecting the money to construct the Road on any other than the southern route, and if ever built it must be built on the line where now located.

OFFICE, N. Y. & E. R. R. Co., Feb. 4th, 1847.

By Order of the Board of Directors,
BENJAMIN LODER, President.

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